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IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FOURTH APPELLATE DISTRICT

DIVISION THREE

GRAY1 CPB, LLC,

Plaintiff and Respondent,

v.

SCC ACQUISITIONS INC., et al.,

Defendants and Appellants.

G046053

(Super. Ct. No. 30-2008-0112660)

O P I N I O N

Appeal from an order of the Superior Court of Orange County, Charles Margines, Judge. Appeal dismissed.

Jeffrey S. Benice for Defendants and Appellants.

Shumener, Odson & Oh, Robert J. Odson and Adam C. Doupé for Plaintiff and Respondent.

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More than a year after the judgment debtors failed to pay on the judgment obtained against them, the plaintiff successfully had a receiver appointed. Defendants appeal, contending the court erred in appointing a receiver. After this appeal was instituted, the judgment below was satisfied and the trial court terminated the receivership. The parties filed a stipulation seeking dismissal of the appeal as moot. We accept the stipulation and dismiss the appeal.

I

FACTS

On August 16, 2010, plaintiff Gray1 CPB, LLC (Gray1) obtained a judgment in excess of \$9.1 million plus interest against SCC Acquisitions and Bruce Elieff (defendants) after defendants failed to make good on their guarantees of a loan made to one of Elieff's limited liability companies. (See *SCC Acquisitions, Inc. v. Central Pacific Bank* (2012) 207 Cal.App.4th 859, 861-862.) Approximately six months later, in February 2011, Gray1 obtained an order charging Elieff's interest in a number of other limited liability companies: 4627 Camden, LLC (Camden LLC); Fullerton Hughes, LLC; SunCal Management, LLC (SunCal Management); and Morse Properties, LLC (Morse LLC). Defendants had paid nothing in satisfaction of the judgment in the interim.

More than a year after obtaining its judgment, Gray1 sought appointment of a receiver over pieces of real property owned by Morse LLC, Camden LLC, and Elieff. None of the limited liability companies had paid anything toward the judgment after having been charged. Gray1's motion alleged Morse LLC owns a 20,000-square-foot office building with a tenant who has not been paying rent per the lease. The tenant, Argent Management, LLC (Argent LLC), is partially owned by Elieff's brother. Argent LLC was formed to take over the business operations of SunCal Management, a company wholly owned by Elieff. In 2010, Argent LLC hired a majority of SunCal Management's employees. When Argent LLC was paying rent, the Morse LLC property generated a positive cash flow. Gray1 further alleged the two properties owned by Camden LLC are

an 18,000-square-foot luxury beachfront home on Shorecliff Road in Corona Del Mar used as Elieff's residence, and a 5,100-square-foot desert vacation home in Rancho Mirage; and Elieff's property is a 6,000-square-foot luxury residential rental with an ocean view on Perham Road in Corona Del Mar. After hearing Grayl's motion and defendants' opposition, the court appointed the receiver nominated by Grayl in connection with two of the pieces of real property: the office building owned by Morse LLC, and Elieff's 6,000-square-foot residential rental on Perham Road. The court ordered the receiver to "hold all net income collected pending further order of the court."

II

DISCUSSION

While this appeal was pending, defendants satisfied the judgment against them. Grayl filed a satisfaction of judgment at the superior court's direction. The parties subsequently stipulated to termination of the receivership, the discharge of the receiver, the exoneration of the receiver's bond, the receiver must file his final report and accounting with the trial court, and after payment of all fees and expenses, the receiver should disburse to Elieff all remaining receivership funds. The parties contend the appeal has been rendered moot. We agree.

The trial court retained the jurisdiction to terminate the receivership, the pending appeal notwithstanding. (*Baughman v. Superior Court* (1887) 72 Cal. 572, 575; see Code of Civ. Proc., § 917.5 [perfecting appeal does not stay enforcement of judgment if appeal is from order appointing a receiver].) In this case, terminating the receivership renders the appeal from the appointment of the receiver moot. "A case becomes moot when a court ruling can have no practical impact or cannot provide the parties with effective relief. [Citation.]" (*Simi Corp. v. Garamendi* (2003) 109 Cal.App.4th 1496, 1503.) With the judgment having been satisfied and the receivership terminated, there is no practical and effective relief to provide on this appeal.

III

DISPOSITION

The appeal is dismissed. The parties shall bear their own costs on appeal.

MOORE, J.

WE CONCUR:

RYLAARSDAM, ACTING P. J.

BEDSWORTH, J.